REMARKS

Claims 1-20 and 22-42 have been examined on their merits.

Applicants herein amend claims 1, 10 and 18 to recite that method for trading points is implemented in a transaction processor that buys trading points at one exchange rate and sells the purchased points at a second exchange rate, thereby deriving a transaction commission. Claims 3, 7-9, 14-17, 19 and 23-27 are amended to recite further aspects of the method performed by the transaction processor. No new matter has been added to the amended claims.

Applicants herein amend claims 28 to recite a transaction processing unit that buys trading points at one exchange rate and sells the purchased points at a second exchange rate, thereby deriving a transaction commission. Claims 29 and 32-35 are editorially amended to remove unnecessary punctuation. No new matter has been added to the amended claims.

Applicants herein amend claim 39 to recite that the service providing server buys trading points at one exchange rate and sells the purchased points at a second exchange rate, thereby deriving a transaction commission. No new matter has been added to the amended claim.

Applicants herein amend claim 40 to recite a computer program product that causes a computer that buys trading points at one exchange rate and sells the purchased points at a second exchange rate, thereby deriving a transaction commission. No new matter has been added to the amended claim.

Claims 1-20 and 22-42 are all the claims presently pending in the application.

1. Claims 1-20 and 22-27 stand rejected under 35 U.S.C. § 101 as allegedly being directed to non-statutory subject matter. Applicants traverse the rejection of claims 1-20 and 22-27 for at least the reasons discussed below.

Applicants have amended claim 1 to recite a method for trading points via a transaction processor connected to a telecommunication network. Applicants submit that claim 1 is now allowable, and further submit that claims 2 and 3 are allowable as well, at least by virtue of their dependency from claim 1. Applicants respectfully request that the Patent Office withdraw the § 101 rejection of claims 1-3.

Applicants have amended claim 4 to recite a method for trading points via a transaction processor connected to a telecommunication network. Applicants submit that claim 4 is now allowable, and further submit that claims 5-9 are allowable as well, at least by virtue of their dependency from claim 4. Applicants respectfully request that the Patent Office withdraw the § 101 rejection of claims 4-9.

Applicants have amended claim 10 to recite a method for trading points via a transaction processor connected to a telecommunication network. Applicants submit that claim 10 is now allowable, and further submit that claims 11-17 are allowable as well, at least by virtue of their dependency from claim 10. Applicants respectfully request that the Patent Office withdraw the § 101 rejection of claims 10-17.

Applicants have amended claim 18 to recite a method for trading points via a transaction processor connected to a telecommunication network. Applicants submit that claim 18 is now allowable, and further submit that claims 19, 20 and 22-27 are allowable as well, at least by

virtue of their dependency from claim 18. Applicants respectfully request that the Patent Office withdraw the § 101 rejection of claims 18-20 and 22-27.

2. Claims 1-5, 8-13, 16, 17 and 28-42 stand rejected under 35 U.S.C. § 102(e) as allegedly being anticipated by Postrel (U.S. Patent No. 6,594,640). Applicants traverse the rejection of claims 1-5, 8-13, 16, 17 and 28-42 at least for the reasons discussed below.

To support a conclusion that a claimed invention lacks novelty under 35 U.S.C. § 102, a single source must teach all of the elements of a claim. Hybritech Inc. v. Monoclonal Antibodies, Inc., 802 F.2d 1367, 1379, 231 U.S.P.Q. 81, 90 (Fed. Cir. 1986). A claim is anticipated only if each and every element as set forth in the claim is found either expressly or inherently in a single prior art reference. Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, 2 U.S.P.O.2d 1051, 1053 (Fed. Cir. 1987). A single source must disclose all of the claimed elements arranged as in the claim. Richardson v. Suzuki Motor Co., 868 F.2d 1226, 1236, 9 U.S.P.O.2d 1913, 1920 (Fed. Cir. 1989). A proper anticipation rejection requires that every element of the claim be found "in a single prior art reference." See In re Robertston, 169 F.3d 743, 745, 49 U.S.P.Q.2d 1949, 1950 (Fed. Cir. 1999). For anticipation to exist, there must be no difference between the claimed invention and the reference disclosure, as that reference would be understood by one of ordinary skill in the art. See Scripps Clinic & Research Found. v. Genentech, Inc., 927 F.2d 1565, 1576, 18 U.S.P.Q.2d 1001, 1010 (Fed. Cir 1991); see also, Crown Operations Intn'l, Ltd. v. Solutia, Inc., 289 F.3d 1367, 62 U.S.P.Q.2d 1917 (Fed. Cir. 2002). Further, "an anticipating reference must describe the [claimed] subject matter with

sufficient clarity and detail to establish that the subject matter existed and that its existence was recognized by persons of ordinary skill in the field of the invention." *ATD Corp. v. Lydall, Inc.*, 159 F.3d 534, 545, 48 U.S.P.Q.2d 1321, 1328 (Fed. Cir. 1998) (citing *In re Spada*, 911 F.2d 705, 708, 15 U.S.P.Q.2d 1655, 1657 (Fed. Cir. 1990)). Rejections under 35 U.S.C. § 102 are proper only when the claimed subject matter is identically disclosed or described in the prior art. Thus, the cited reference must clearly and unequivocally disclose every element and limitation of the claimed invention.

Postrel fails to teach or suggest at least receiving a request at a transaction processor to trade the trading points awarded to one customer with at least one other customer at different exchange rates and derive a commission therefrom, as recited in claim 1. One portion of Postrel cited by the Patent Office is directed to a customer's purchase of points already traded in by another customer to a manufacturer or reseller of goods or services ("allow for purchase by users of points *traded in* by other users" col. 1, lines 23-24 of Postrel). Another portion of Postrel cited by the Patent Office is directed to the steeply discounted repurchase of reward points by the *issuers* of the reward points. *See* col. 5, lines 61-66 of Postrel. In that cited passage, an exchange of trading points between two customers at different exchange rates, one of which is a member of a manufacturer or reseller of goods or services is not disclosed or contemplated. In sum, Postrel fails to teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade.

Based on the foregoing reasons, Applicants submit that Postrel fails to disclose all of the claimed elements as arranged in claim 1. Therefore, under *Hybritech* and *Richardson*, Postrel

clearly cannot anticipate the present invention as recited in independent claim 1. Thus, Applicants submit that claim 1 is allowable, and further submit that claim 2 and 3 are allowable as well, at least by virtue of their dependency from claim 1. Applicants respectfully request that the Patent Office withdraw the § 102(e) rejection of claims 1-3.

With respect to independent claim 4, Applicants submit that claim 4 is allowable for at least reasons analogous to those discussed above with respect to claim 1, in that Postrel fails to teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade. Therefore, under *Hybritech* and *Richardson*, Applicants submit that claim 4 is allowable, and further submit that claims 5, 8 and 9 are allowable as well, at least by virtue of their dependency from claim 4. Applicants respectfully request that the Patent Office withdraw the § 102(e) rejection of claims 4, 5, 8 and 9.

With respect to independent claim 10, Applicants submit that claim 10 is allowable for at least reasons analogous to those discussed above with respect to claim 1, in that Postrel fails to teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade. Therefore, under *Hybritech* and *Richardson*, Applicants submit that claim 10 is allowable, and further submit that claims 11-13, 16 and 17 are allowable as well, at least by virtue of their dependency from claim 10. Applicants respectfully request that the Patent Office withdraw the § 102(e) rejection of claims 10-13, 16 and 17.

With respect to independent claim 28, Applicants submit that claim 28 is allowable for at least reasons analogous to those discussed above with respect to claim 1, in that Postrel fails to

teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade. Therefore, under *Hybritech* and *Richardson*, Applicants submit that claim 28 is allowable, and further submit that claims 29-37 are allowable as well, at least by virtue of their dependency from claim 28. Applicants respectfully request that the Patent Office withdraw the § 102(e) rejection of claims 28-37.

With respect to independent claim 39, Applicants submit that claim 39 is allowable for at least reasons analogous to those discussed above with respect to claim 1, in that Postrel fails to teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade. Therefore, under *Hybritech* and *Richardson*, Applicants submit that claim 39 is allowable, and respectfully request that the Patent Office withdraw the § 102(e) rejection of claim 39.

With respect to independent claim 40, Applicants submit that claim 40 is allowable for at least reasons analogous to those discussed above with respect to claim 1, in that Postrel fails to teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade. Therefore, under *Hybritech* and *Richardson*, Applicants submit that claim 40 is allowable, and further submit that claims 41 and 42 are allowable as well, at least by virtue of their dependency from claim 40. Applicants respectfully request that the Patent Office withdraw the § 102(e) rejection of claims 40-42.

3. Claims 6, 7, 14, 15 and 18-27 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Postrel. Applicants traverse the rejection of claims 6, 7, 14, 15 and 18-27 at least for the reasons discussed below.

With respect to claims 6 and 7, the Patent Office alleges that it would have been obvious to one of ordinary skill in the art to record the transaction and to notify the member shop. As discussed above, however, Postrel still fails to teach or suggest fails to teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade, as recited in claim 4 and included via dependency in claims 6 and 7. Thus, Applicants submit that the Patent Office cannot fulfill the "all limitations" prong of a *prima facie* case of obviousness, as required by *In re Vaeck*.

Applicants submit that one of skill in the art would not be motivated to modify the reference. Although the Patent Office provides a motivation analysis with respect to recording a "paper trail", Postrel lacks any disclosure with respect to the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade. Since there is no exchange of trading points between customers at different exchange rates and no generation of a transaction commission, then there can be no motivation to record the transaction and notify the member shop. Thus, Applicants submit that the Patent Office cannot fulfill the motivation prong of a *prima facie* case of obviousness, as required by *In re Dembiczak* and *In re Zurko*.

Based on the foregoing reasons, Applicants submit that Postrel fails to disclose all of the claimed elements as arranged in claim 4, and included via dependency in claims 6 and 7. Thus,

Applicants submit that claims 6 and 7 are allowable, and respectfully request that the Patent Office withdraw the § 103(a) rejection of claims 6 and 7.

With respect to claims 14 and 15, Applicants submit that claims 14 and 15 are allowable for at least reasons analogous to those discussed above for claims 6 and 7, in that Postrel fails to teach or suggest fails to teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade. Thus, Applicants submit that claims 14 and 15 are allowable, and respectfully request that the Patent Office withdraw the § 103(a) rejection of claims 14 and 15.

With respect to claims 18-20 and 22-27, Applicants submit that claims 18-20 and 22-27 are allowable for at least reasons analogous to those discussed above for claims 6 and 7, in that Postrel fails to teach or suggest fails to teach or suggest at least the execution of a request to trade trading points between customers at different exchange rates and deriving a commission from the trade. Thus, Applicants submit that claims 18-20 and 22-27 are allowable, and respectfully request that the Patent Office withdraw the § 103(a) rejection of claims 18-20 and 22-27.

In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,

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